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DEPARTMENT OF AGRICULTURE
RURAL ELECTRIFICATION ADMINISTRATION

PROGRESS BULLETIN
GENERAL - NO. 111

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Power lines financed by the Rural Electrification Administration are going into service at the rate of approximately 560 miles each working day, thus bringing electric service daily within reach of about 1,600 additional farm families and other rural users to whom its benefits were never before available.

These figures are contained in a survey of construction progress released today by REA Administrator Harry Slattery. Reports submitted to REA by private contracting firms building the Government-financed lines show that during the last three weeks for which reports are available 8,402 miles were completed, an average of more than 560 miles a day. Last week was the 15th consecutive week in which completed miles approximated 2,500. An average of 450 miles per day has been maintained since last Spring, and the construction pace has been increasing steadily.

At the present rate, all construction now approved would be completed in February, 1940. Projects for which allotments have been approved and which are being prepared for construction would require another three or four months to complete. Winter weather conditions, of course, will cause a considerable slowing down in the rate of construction.

The rapid pace of line construction is the culmination of a four-year program. REA was created on May 11, 1935, as an emergency agency. A year later Congress passed the Rural Electrification Act of 1936, authorizing a 10-year lending program of \$50,000,000 the first fiscal year and \$40,000,000 a year thereafter. Except in fiscal 1937, when the appropriation for loans was \$30,000,000, the full authorization has been approved each year and an additional \$100,000,000 was made available in 1938-39.

Since its inception REA has allotted \$267,136,293, and the loan funds available for the current fiscal year are almost completely allotted. More than 300,000 farm families and other users are already getting service from REA-financed lines, and indications point to a total of 400,000 by the end of the calendar year.

REA loans for line construction, most of which have gone to farmers' cooperatives, cover the full cost of construction and initial operation. Construction contracts are awarded by local borrowers to private contracting firms. The loans are to be amortized over a 25-year period from the power systems' revenue from sales of energy.

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